## Resale Housing Market Weak in Alberta

***Both resales and prices down …***

Sales of existing homes in Alberta edged down 1.0% to 4,363 in March from 4,409 in February (seasonally adjusted). On the supply side, the number of new listings decreased 10.3% to 8,373 from 9,337 in February. The sales-to-new listings ratio increased from 0.47 to 0.52 in March, indicating balanced market conditions. The average resale price of a house declined 3.1% to $346,423 in March and was down 2.5% when compared to March 2010.

Nationally, the average resale price of a house increased 1.3% to $371,053 in March. On a year-over-year basis, the average resale price was up 8.6%.

## New House Prices

***Alberta Home Prices edge up…***

In contrast to resale market, new home prices in Alberta rose marginally (0.4%) in February, due to a small increase in land prices (1.2%) partially offset by declining house prices (-0.1%). Prices were a mere 0.8% above the previous years' level and the pace of the annual increase has moderated since July 2010. In Edmonton, new home prices advanced 1.1% during the month, while prices declined 0.4% in Calgary. Nationally, prices for new homes rose 0.4% in February and were 2.1% higher than February 2010.

## Non-Residential Building Construction

***Construction decrease …***

Alberta's investment in new non-residential buildings declined 3.1% in the first quarter to $2.1 billion as a 17.2% decline in the construction of institutional buildings (health care facilities & government buildings) more than offset a 1.3% increase in investment for new commercial buildings and a 15.0% rise in investment in industrial buildings. Nationally, investment in new non-residential construction rose 1.3% to $10.7 billion.

| | | |
|---|---|---|
| ↓ | **Canadian Dollar (US¢/C$)** | |
| | April 15, 2011 | 104.00 |
| | April 8, 2011 | 104.54 |
| | 2011-12 YTD | 104.03 |
| ↓ | **WTI Oil US$/bbl** | |
| | April 15, 2011 | $109.66 |
| | April 8, 2011 | $112.79 |
| | 2011-12 YTD | $108.88 |
| ↑ | **Nymex Natural Gas C$/MMBtu*** | |
| | **Near-month Contract** | |
| | April 15, 2011 | $4.05 |
| | April 8, 2011 | $3.88 |

*Estimate based on Nymex Futures Market Price

## Manufacturing Shipments

***Shipments increase…***

Alberta's manufacturing shipments advanced 1.4% in February to $5.5 billion (seasonally adjusted). This increase was mainly due to increases in shipments of petroleum and coal products (9.5%) and electrical equipment, appliance and components (5.5%). Declines were recorded in the shipments of machinery (-11.4%) and paper manufacturing (-10.0%). On a year-over-year basis, total manufacturing shipments were up 14.2%.

## New Motor Vehicle Sales

***Vehicle sales advance …***

Alberta's new motor vehicle sales rose 0.8% to 16,970 in February (seasonally adjusted). Sales were 2.6% lower than February 2010. Sales of motor vehicles rose more than 10% last year and are likely taking a breather.

## International Merchandise Trade

***Canada's trade surplus narrows …***

Canada's merchandise trade surplus declined from $382 million (seasonally adjusted) in January to $33 million in February. Exports fell 4.9% to $35.9 billion while imports decreased 4.0% to $35.8 billion. The decline in the trade surplus can be attributed to the rising dollar.

## Bank Of Canada Interest Rate Decision

***BoC maintains overnight rate target …***

The Bank of Canada maintained the overnight rate target at 1% for the fifth consecutive meeting since September 2010, as inflation is consistent with the Bank's expectation and aggregate demand is rebalancing toward business investment and net exports, away from government and household expenditures.

# Current Economic Indicators

| Population | 2009 | 2010 | 2011YTD* | Oct | Nov | Dec | Jan | Feb | March |
|---|---|---|---|---|---|---|---|---|---|
| Population [1] (000's) (level) | 3,671 | 3,721 | 3,743 | 3,735 | -- | -- | 3,743 | -- | -- |
| % change | 2.2 | 1.4 | 1.4 | 1.4 | -- | -- | 1.4 | -- | -- |
| Net Interprovincial Migraton [1] (level) | 13,184 | -2,183 | 3,665 | 1,155 | -- | -- | 2,510 | -- | -- |
| Net International Migration [1] (level) | 16,835 | 21,533 | 10,994 | 6,361 | -- | -- | 4,633 | -- | -- |
| Net Non-permanent Residents [1] (level) | 19,162 | -77 | -8,368 | -1,643 | -- | -- | -6,725 | -- | -- |
| **Labour Market** | | | | | | | | | |
| Employment [2] (000's) | 2,025 | 2,017 | 2,061 | 2,038 | 2,033 | 2,032 | 2,054 | 2,068 | 2,064 |
| % change [2] | -1.3 | -0.4 | 2.8 | 1.6 | 0.9 | 0.5 | 2.2 | 3.4 | 3.4 |
| Unemployment Rate [2] (%) | 6.6 | 6.5 | 5.8 | 5.9 | 5.6 | 5.5 | 5.9 | 5.7 | 5.7 |
| Participation Rate [2] (%) | 74.3 | 72.9 | 73.3 | 72.8 | 72.4 | 72.2 | 73.2 | 73.4 | 73.2 |
| Average Weekly Earnings ($) | 950.13 | 993.13 | 1014.09 | 1004.38 | 1002.79 | 1012.32 | 1014.09 | -- | -- |
| % change | 2.9 | 4.5 | 5.7 | 5.6 | 5.0 | 5.4 | 5.7 | -- | -- |
| **Price Indices** | | | | | | | | | |
| Consumer Price Index | -0.1 | 1.0 | 1.1 | 1.2 | 0.1 | 0.8 | 1.0 | 1.2 | -- |
| Excluding food and energy | 1.4 | 0.8 | 0.5 | 0.5 | 0.4 | 0.4 | 0.7 | 0.3 | -- |
| Non-Res. Building Cons. Price Index [3] | -9.8 | -0.1 | -- | 2.7 | -- | -- | -- | -- | -- |
| Farm Product Price Index | -10.6 | -3.9 | 14.0 | 5.4 | 5.3 | 10.1 | 14.0 | -- | -- |
| Crops | -18.9 | -14.5 | 3.7 | -6.7 | -8.0 | 0.0 | 3.7 | -- | -- |
| Livestock | -2.8 | 5.7 | 23.0 | 17.3 | 18.6 | 19.4 | 23.0 | -- | -- |
| **Household Sector** | | | | | | | | | |
| Housing Starts (SAAR, 000's) | 20.0 | 27.1 | 22.3 | 25.7 | 21.6 | 20.9 | 20.4 | 23.4 | 23.2 |
| % change | -31.6 | 33.5 | -23.6 | -14.0 | -28.2 | -24.3 | -17.1 | -18.2 | -32.8 |
| New Housing Price Index | -9.0 | 0.5 | 0.7 | 1.1 | 0.9 | 1.0 | 0.5 | 0.8 | -- |
| NEW! Edmonton | -11.2 | -0.8 | 0.7 | 1.0 | 1.0 | 0.8 | 0.3 | 1.1 | -- |
| Calgary | -6.7 | 1.7 | 0.6 | 1.1 | 0.8 | 1.1 | 0.8 | 0.4 | -- |
| MLS Average Resale Prices ($ 000's) | 340.5 | 350.9 | 352.2 | 348.0 | 353.8 | 348.3 | 352.8 | 357.4 | 346.4 |
| % change | -3.1 | 3.1 | 0.9 | -1.7 | -0.5 | -2.3 | 2.4 | 2.9 | -2.5 |
| NEW! Edmonton | 319.1 | 326.5 | 321.5 | 324.9 | 330.3 | 322.0 | 323.1 | 321.0 | 320.3 |
| % change | -3.5 | 2.3 | -1.9 | -0.6 | 0.2 | -2.6 | 0.5 | -1.4 | -4.5 |
| NEW! Calgary | 384.3 | 397.4 | 398.6 | 396.0 | 402.9 | 396.5 | 401.7 | 406.2 | 387.7 |
| % change | -4.2 | 3.4 | 1.6 | -0.8 | -0.3 | -2.0 | 4.3 | 2.9 | -2.3 |
| Retail Sales [4] | -8.3 | 5.7 | 5.5 | 6.4 | 8.9 | 7.3 | 5.5 | -- | -- |
| NEW! New Motor Vehicle Sales | -21.7 | 9.3 | 2.1 | 0.3 | 12.1 | 3.5 | 7.4 | -2.6 | -- |
| Consumer Bankruptcies | 9,986 | 8150.0 | -- | 700 | 667 | 519 | -- | -- | -- |
| % change | 64.6 | -18.4 | -- | 1.4 | -2.8 | -18.1 | -- | -- | -- |
| **Business Sector** | | | | | | | | | |
| Rigs Drilling | 128 | 207 | 385 | 260 | 276 | 269 | 372 | 418 | 366 |
| % change | -45.6 | 61.3 | 36.7 | 101.4 | 81.5 | 18.5 | 29.6 | 23.3 | 66.6 |
| Goods Exports (customs based) | -36.3 | 11.3 | -- | 6.8 | 1.6 | 8.3 | 5.0 | 8.3 | -- |
| Energy | -40.1 | 15.6 | -- | 3.4 | -1.2 | 3.1 | 5.0 | 8.5 | -- |
| Agriculture | -10.2 | -14.4 | -- | -2.8 | -1.4 | 15.6 | 6.9 | 6.4 | -- |
| Total Farm Cash Receipts (quarterly) | -7.5 | -5.9 | -- | -- | -- | 7.1 | -- | -- | -- |
| NEW! Manufacturing Shipments | -23.7 | 11.0 | 15.1 | 17.8 | 15.1 | 17.2 | 16.0 | 14.2 | -- |
| Wholesale Trade [5] | -15.9 | 11.1 | 15.8 | 25.1 | 22.7 | 19.5 | 15.8 | -- | -- |
| Building Permits | -14.2 | 2.1 | 15.8 | -41.2 | -22.0 | -23.7 | -21.7 | 49.6 | -- |
| Residential | -11.8 | 24.7 | -29.9 | -21.2 | -28.1 | -20.4 | -24.0 | -35.2 | -- |
| Non-residential | -16.3 | -19.0 | 111.2 | -56.0 | -14.2 | -27.2 | -16.8 | 225.5 | -- |
| Business Bankruptcies | 405 | 378 | -- | 24 | 19 | 44 | -- | -- | -- |
| % change | -9.4 | -6.7 | -- | -27.3 | -40.6 | 37.5 | -- | -- | -- |

Government of Alberta ■
Finance and Enterprise

Alberta

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

1 Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

2 The Employment, Unemployment Rate and Participation Rate series were revised on February 4, 2011 and are no longer comparable with numbers in previous Bulletins

3 Quarterly, average of Calgary and Edmonton

4 The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

5 The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

# Current Economic Indicators by Province